

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1727

ANSWERED ON:14.03.2002

CAPACITY OF PRODUCTION OF NINL AT DUBURI .

KUMUDINI PATNAIK

Will the Minister of STEEL be pleased to state:

(a) the time by when Neelanchal Ispat Nigam Ltd.'s Steel Plant at Duburi in Orissa is likely to be commissioned for commercial production and the capacity of production of the plant with target of the PLF to be achieved;

(b) whether the target date for commercial production has been delayed for years and the escalation cost of the commercial viability of the plant has been affected thereby;

(c) whether the cost of production per tonne has been increased; and

(d) if so, the steps taken to expedite the commissioning of the plant?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) Blast Furnace Complex of Neelachal Ispat Nigam Ltd. (NINL) has been commissioned in February 2002 and production of Pig Iron and stabilisation of system has commenced. The optimum production capacity is around 1.10 million tonnes of Hot Metal per year. The plant is expected to achieve this targeted level of the rated capacity during 3rd year of operation.

(b)&(c): The estimated capital outlay was Rs. 1510 crore in 1996. IDBI carried out Mid- Term appraisal of the project in 2001 and revised cost of the project has been estimated at Rs. 1524 crore excluding Wire Rod Mill. Delay in plant commissioning has been mainly on account of unduly long time taken to provide physical possession of the entire land and set back caused by Super Cyclone. The project is commercially viable as per Mid Term Appraisal carried out by IDBI.

(d) Blast Furnace Complex for production of Pig Iron is already commissioned.